

1                   STATE OF TENNESSEE  
2           TENNESSEE EMERGENCY COMMUNICATIONS BOARD  
3           DEPARTMENT OF COMMERCE AND INSURANCE  
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10                   TRANSCRIPT OF THE PROCEEDINGS  
11  
12                               May 14, 2008  
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21                               Cannon & Stacy  
22                               Court Reporters  
23                               117 Arrowhead Drive  
24                               Hendersonville, Tennessee 37075  
25                               (615) 822-9382

Reported by: Denise Harwood-Stacy

## 1 APPEARANCES:

2

3 Board Members Present: Mr. Randy Porter, Chair  
4 Mr. Ike Lowry, Vice Chair  
5 Mr. Freddie Rich, Member  
6 Mr. Steve Smith, Member  
7 Mr. James Sneed, Member

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9 Board Members Not Present: Mr. Charles Bilbrey, Member  
10 Honorable Tom Beehan, Member  
11 Ms. Carolann Mason, Member  
12 Ms. Katrina Cobb, Member

13

14 Staff Members Present: Ms. Lynn Questell  
15 Executive Director

16

17 Mr. James Barnes  
18 Accounting Manager

19

20 Mr. Rex Hollaway  
21 Technical Services Director

22

23 Mr. Robert McLeod  
24 Director of Audits

25

26 Mr. Jessie Joseph  
27 Attorney

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29 Ms. Vanessa D. Williams  
30 Assistant

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1 CHAIR PORTER: Good morning, everyone. It's  
2 good to see each and every one of you here this morning.

3 Let the record show that we do have a quorum  
4 for the Tennessee Emergency Board. This is our May 14th  
5 meeting, 2008.

6 Let the record show that Ms. Carolann Mason,  
7 Ms. Katrina Cobb, Mr. Bilbrey, and Mr. Beehan -- all four are  
8 absent this morning.

9 We need to keep Carolann in our prayers.  
10 She had to undergo some major surgery and she's had some  
11 complications from that -- from the medication that they've  
12 given her. So just remember her in your prayers as she goes  
13 through her recuperation period.

14 We've got a quorum.

15 We have a fairly short agenda today. We  
16 hope we won't keep everyone too long this morning.

17 The first item on the agenda is the report  
18 the Executive Director.

19 Lynn?

20 MS. QUESTELL: Thank you, Mr. Chairman.

21 As a preliminary matter I would like to  
22 introduce Jessie Joseph, who is an attorney for the Department  
23 of Commerce and Insurance. He's in the Legal Division. When  
24 Commissioner Newman found out that we were without a lawyer she  
25 asked -- offered to have a staff lawyer come and help us out.

1 And we're very appreciative of his presence.

2 Carolyn Reed, our former attorney, has moved  
3 on to the Attorney General's Office to work in litigation, and  
4 we wish her the very best.

5 Other news, Monica Smith-Ashford, our  
6 legislative liaison, has had her baby. It's a little boy, and  
7 his name is Zachary.

8 I would like to report now on the status of  
9 wireless carrier and VoIP deployment.

10 T-Mobile activated 28 tower sites in the  
11 area around Knox County at the end of December and completed  
12 its Knoxville area market turn-up for Phase I between  
13 February 28th and March 15th.

14 There haven't been any other significant  
15 changes in the wireless carrier deployment since the last  
16 meeting.

17 Misroutes. I am pleased to report there  
18 have been no misroutes reported since the last meeting.

19 There was, however, a request by White  
20 County Communications District for some technical assistance  
21 after they received a report that two 911 calls involving a  
22 life-threatening situation had gone unanswered in the first  
23 week of March.

24 Our director of 911 -- Rex Hollaway -- went  
25 to White County and made several test calls from the specific

1 locations where these two calls were made, and using both AT&T  
2 and Verizon handsets, the test calls rang through and were  
3 answered. The AT&T calls were answered in Van Buren County,  
4 and the Verizon calls were answered in White County.

5                   And it should be noted that the incident  
6 locations were right near the boundaries between White and  
7 Van Buren, and the routing was deemed not inappropriate based  
8 on the location right on the border there.

9                   Verizon did confirm to the White County  
10 Emergency Communications District director that some bouncing  
11 around of the original calls had occurred, but the problem had  
12 been corrected. And test calls seem to indicate that this  
13 information was accurate.

14                   As to technical and operational issues, Rex,  
15 our director of E-911 Technical Services, continues to monitor  
16 the progress of improving the GIS system in Bledsoe County.  
17 And he was told by the person in charge of that project --  
18 Mike Twitty -- who is the director of Sequatchie County  
19 Emergency Communications District -- that of the 214 roads in  
20 Bledsoe County, all but 22 have been driven and geocoded. And  
21 those 22 roads that are left are going to require a little more  
22 in depth research.

23                   According to Mike Twitty, the GIS project is  
24 still ahead of schedule with more than 40 percent of the  
25 project completed.

1                   Good news out of Hamilton County. The  
2 Hamilton County Emergency Communications District's efforts to  
3 unify their dispatching in the county have been pretty  
4 fruitful. Six of the county's eight PSAPs has signed  
5 agreements to unify. These are Hamilton County Sheriff's  
6 Office; Hamilton County Emergency Services, which is a  
7 secondary PSAP; Chattanooga; East Ridge; Red Bank; Signal  
8 Mountain; and Collegedale. Which is quite an accomplishment,  
9 something that they've been working to do for over ten years.

10                   The towns of Soddy Daisy and Lookout  
11 Mountain have a standing invitation to join this unified group,  
12 but they've not done so yet.

13                   I just want to commend the leadership of the  
14 District for this significant achievement.

15                   Obion County opened its new PSAP in April.

16                   And the director of the Montgomery County  
17 Emergency Communications District, Larry Bryant, retired in  
18 April. And the new director is Loretta Bryant, who is no  
19 relation.

20                   The Chester County Emergency Communications  
21 District has hired a new director, Jessica Hames, and we are so  
22 lucky to have her here today.

23                   And I want to send a thanks out to  
24 Jerry Bird, who is the director of the Greene County Emergency  
25 Communications District. He sent in to us an advertisement in

1 their local newspaper that a new wireless re-seller was  
2 operating there and they claimed there were no 911 fees, and we  
3 were able to contact them and they will be submitting these  
4 fees according to the law. And we appreciate Jerry's efforts  
5 in that regard. They already started remitting.

6 I wanted to update the Board on the Union  
7 County Emergency Communications District that it considered at  
8 the last meeting. At that time we were discussing the very  
9 serious issue of whether to allow their landline rates to be  
10 extended after the County had significantly reduced the amount  
11 of its contribution that it had budgeted to provide to the  
12 district.

13 During the Board's deliberations of this  
14 issue it was noted that it had been a hard battle to get the  
15 \$14 million operations funding program approved primarily due  
16 to the Governor's concern that counties would do exactly what  
17 Union County is planning to do, reduce its contributions to  
18 911. And during that meeting it was noted that dispatching was  
19 around long before 911, and dispatching costs were never meant  
20 to be borne solely by 911. Its cost of dispatching should be  
21 shared by the governmental entities that work with districts or  
22 receive dispatching services from the districts.

23 At the meeting the District requested that  
24 the rates be extended until the next meeting to allow for them  
25 to negotiate with the County. And according to their new



1 director -- Stacy Rhodes -- the County decided to reverse its  
2 decision to reduce its contributions to the district. So, we  
3 would ask the Board now to authorize -- well, we have -- Staff  
4 has considered -- has reviewed the request for the extension  
5 and we have found that everything is in order now that we've  
6 been told that the County has not reduced its rate.

7                   This is one of the extension things that the  
8 Board doesn't need to approve it.

9                   I wanted to say that Union County and the  
10 District have a history of working together cooperatively for  
11 the public's benefit, and I want to commend them for working  
12 out this difference.

13                   Moving on to district management issues.  
14 Staff has revised the rate increase application. We're trying  
15 to kind of streamline it, make it more user friendly and more  
16 meaningful. So you can start using that. It's on the TECB  
17 Web site.

18                   More news about the Web site. We've  
19 recently been told that the whole state is going to change all  
20 its Web sites to make them more uniform looking. So we're all  
21 going to be expecting some changes on that. We'll learn more  
22 later.

23                   In the next few weeks Robert McLeod, our  
24 auditor, is going to be conducting grant monitoring, which is  
25 required by the Department of Finance and Administration.



1 Grant. Since the last cycle of the GIS Mapping Maintenance  
2 Grant terminated on January 14th, we received final closeouts  
3 from 71 districts, and we've given them new grant documents for  
4 signatures to start the next five-year cycle.

5                   Of those that we've distributed, we received  
6 46 signed documents back. And so we've initiated the grant  
7 approval process to start authorizing the payout of those  
8 funds.

9                   What this means is that over 20 of the  
10 districts have not yet even filed their closeout paperwork,  
11 which means that you're not even in the running to get the  
12 money for the next five years.

13                   We've designed the new grants so that they  
14 are on a fiscal year basis. It was driving all of us kind of  
15 crazy to try to administer or keep track of -- there must have  
16 been seven or eight start dates. And it will be better for  
17 everybody if we just have one date to keep track of and we can  
18 remind you and help you meet the requirements.

19                   So, some of your original grants started on  
20 January 15. And because the new grant cycle is going to start  
21 on July 1, Jim made arrangements so that you could receive a  
22 payment for the days from January 15th to June 30th. But that  
23 means you have to file your closeout information and sign  
24 another document to get that money for that time period. And  
25 the money is almost \$5,000. It's \$4,575.

1                   So what I'm concerned about is, if you wait  
2 too long to close out, we'll be into the next fiscal year and  
3 you run the risk of losing that money. So, we'll be calling  
4 each of the districts to -- that have not yet filed their  
5 closeout documentation to kind of remind you and to help you  
6 work through that. But we really want to make sure that you --  
7 especially after all the effort that Jim has gone to to make  
8 this happen -- that you don't lose any of the money you're  
9 entitled to, if you'll just do the paperwork.

10                  All but two districts have closed out their  
11 Rural Dispatcher Grants. The two that have not is Smith and  
12 Houston. And Jim is working to get those closed out.

13                  The status of the \$150,000 Essential  
14 Equipment Reimbursement Program. As of May 7th, 80 districts  
15 have either been paid or are in the process of being reimbursed  
16 for requests totaling \$9,024,855 under this program.

17                  Thirty districts have requested the maximum  
18 amount of \$150,000. Ten more have less than 10,000 remaining  
19 in their allocation. And 20 districts have not initiated any  
20 action requesting any of the \$150,000 equipment funding  
21 available to them.

22                  The status of the \$14 million Operational  
23 Funding Program. Funds from the \$14 million Operational  
24 Funding Program continue to be disbursed with the payment of  
25 the 25-percent distribution every other month.

1                   This program was included in the Board's  
2 2009 budget and the General Assembly has not yet passed the  
3 budget. So that's where we are with that.

4                   Other news. Our offices will be moving.  
5 They are going to renovate the top floors -- well, they're  
6 going to renovate this whole building, and the top floors is  
7 where they're going to start. And so they are moving us -- our  
8 office over to the Andrew Johnson Building, which is at  
9 710 James Robertson Parkway, just on the other side of the  
10 Bicentennial Mall.

11                  And this move should take place fairly soon,  
12 like before mid June. And we are reportedly going to return  
13 back here in like three years. So, please, know we'll be on  
14 the Third Floor of the Andrew Johnson Building.

15                  We were told that we would be keeping the  
16 same mailing address. We don't quite understand how that  
17 works. So we'll let you know if there's any changes as far as  
18 that goes.

19                  The Next Generation 911 Project. The  
20 successful bidder on the RFP for the next IP platform that is  
21 going to be built by the Office of Information Resources out of  
22 the Department of Finance and Administration was scheduled to  
23 be selected on May 12th. I looked that up on the Web site, and  
24 the State has notified the bidders and put out a notice that  
25 says that AT&T Corporation was named the apparent best

1 evaluated proposer. That was on May 12th.

2                   There's a seven-day protest to allow the  
3 other bidders to contest the award, and we've arranged with OIR  
4 to look at -- to get a copy of the proposal -- successful  
5 proposal, and we will evaluate it to determine if the  
6 technology would be appropriate for 911. And we'll start that  
7 once we're sure that any possible protests are resolved.

8                   The last thing in my report is the PSAP  
9 Registry. No, it's not. Sorry.

10                   A lot of organizations maintain data about  
11 the PSAPs in Tennessee, including FCC, NENA, and the Tennessee  
12 Relay Services, which is for the deaf and hard of hearing. And  
13 Rex has been maintaining a database for the Board for quite a  
14 while, and he just recently updated -- corresponded with all  
15 the districts. And through his efforts we have learned that  
16 there are now 178 total PSAPs in this state.

17                   Of that number, 127 are primary PSAPs and 22  
18 are secondary PSAPs -- all with 911 controllers and ALI display  
19 equipment.

20                   There are also eight known controller  
21 equipped backup PSAPs sites.

22                   The other 21 do not have 911 controller  
23 equipment, nor the ability to receive ALI information. They're  
24 not affiliated with districts by any interlocal agreement.

25                   The 24 by 7 telephone numbers for all these

1 locations have been provided to the two agencies that are  
2 working with the Tennessee Regulatory Authority to provide  
3 assistance for the deaf and hard of hearing. Those two are  
4 called GoAmerica and Sprint CapTel.

5 And Rex has also provided this information  
6 to the FCC and to NENA to update their PSAP registries.

7 MR. HOLLAWAY: Lynn, can I say one comment  
8 on it?

9 We have been extremely sensitive to the  
10 issue of addresses. So we are not providing PSAP addresses to  
11 these agencies, just the phone numbers.

12 MS. QUESTELL: That's correct.

13 The next thing I would like to do is update  
14 you on our petition with the FCC about the non-initialized 911  
15 calls.

16 A lot of activity.

17 As many of you know, Staff filed a petition  
18 with the FCC on February 14th requesting that the FCC open an  
19 inquiry regarding its rules about call forwarding and the high  
20 number of harassing 911 calls from non-initialized phones that  
21 have resulted in -- from that call forwarding role and the  
22 problem with the -- dispatchers and call-takers not being able  
23 to get to people with real emergencies because they are being  
24 occupied with frivolous or harassing calls.

25 Tennessee drafted the petition -- took the

1 lead. And we were lucky enough to get other states to sign on.  
2 Those were Michigan, Montana, New Jersey, and Washington. And  
3 we also had NENA, NASNA, and APCO signing on.

4 I went to NENA's "911 Goes to Washington" in  
5 March. And at that time I was joined by the presidents of NENA  
6 and APCO -- and their lawyers -- and we went to the FCC to talk  
7 about the petition to the commissioners. And we talked to the  
8 Chairman -- Chairman Martin -- and Commissioners Adelstein,  
9 McDowell, and Tate; and we also talked with Chief Poarch of the  
10 Public Safety and Homeland Security Division. And our  
11 discussions were really well received.

12 On April 11th -- which is pretty much record  
13 time -- the FCC granted our petition and issued a Notice of  
14 Inquiry. And in its Notice of Inquiry the FCC specifically  
15 requests -- I'm going to read this -- comment, analysis, and  
16 information on three specific areas: the nature and extent of  
17 fraudulent 911 calls made from NSI -- or non-initialized phone  
18 devices; (2), concerns with blocking NSI phones used to make  
19 fraudulent 911 calls; and, (3), other possible solutions to the  
20 problem of fraudulent 911 calls from NSI handsets.

21 As to the nature and extent of the  
22 fraudulent calls, the FCC is specifically looking for --  
23 quote -- more recent and expansive survey evidence for the same  
24 and other jurisdictions.

25 They also -- quote -- welcome further



1 evidence, including statements from knowledgeable parties,  
2 media reports, et cetera, illuminating the extent of the  
3 problem.

4 I would really encourage any of you that  
5 have that kind of information or are willing to conduct even a  
6 short survey -- to file that with the FCC. We sent out emails  
7 telling you how to do it, but if you're confused about that,  
8 call and we will help you do that.

9 But we do not want them to think that this  
10 somehow is a problem that has resolved itself. Somehow. We  
11 don't want them to think this is just a Tennessee problem. And  
12 We don't want them to think that we're not still really  
13 interested.

14 A Notice of Inquiry is kind of a  
15 touchy-feely procedural thing, and there's not set calendar or  
16 anything like that. So unless we keep on them and let them  
17 know what a serious issue this is, it could just kind of drift  
18 away from us after all of the effort we've put into it.

19 So I really don't want that to happen. So I  
20 would just encourage you to file comments.

21 At this point there are only three comments  
22 filed in the docket number that the FCC has set out for this  
23 proceeding. Which is 08-51.

24 So if there's not much of a response it  
25 would be a great concern. So I just wanted to remind everybody

1 of that.

2 I next want to report on the Policy  
3 Committee. We had a meeting on March 17th to discuss  
4 dispatching and dispatcher training. And we print out a  
5 summary of that meeting.

6 The discussion was wide ranging but really  
7 focused on issues of whether to certify dispatchers or the  
8 training courses; whether this board should actually provide  
9 training courses or contract with another agency; whether  
10 additional training requirements should be adopted; and the  
11 issue of some financial support. And we're hoping to narrow  
12 this down and make it into something where we can make specific  
13 recommendations to the Board.

14 As to legislation impacting 911, we did not  
15 file any legislation in Tennessee this year. We decided to  
16 focus on the FCC non-initialized phone brief. But there is  
17 some federal legislation.

18 The Appropriations Bill, speculation I've  
19 heard is that it's likely that the President's federal budget  
20 will be continued with no specific budget bill, which means  
21 there would be no increases to 911 funding, which is not great  
22 news. But that's all speculation.

23 I also heard from some pretty good sources  
24 that Senator Clinton's staff has said that she would earmark  
25 \$10 million dollars for 911 nationally.

1                   The Farm Bill contains a 911 loan program  
2   which would help provide 911 access to rural areas through the  
3   Rural Utility Service. One of the controversies surrounding  
4   that is whether vendors would be eligible for the funding.  
5   From what I have heard, even on the radio today, the President  
6   is likely to veto that bill.

7                   The IP-Enabled Voice Communications and  
8   Public Safety Act of 2007, that is in conference. The House  
9   and the Senate has both proposed versions of this bill and  
10  they're trying to work through their differences and actually  
11  have a bill.

12                  And just for your information, the FCC  
13  issued a Location Accuracy Order earlier this year, and it has  
14  been appealed. So we'll see how that shakes out.

15                  TENA activities. Rex recently completed  
16  Part 2 of the Central United States Earthquake Consortium and  
17  TEMA workshop designed to help define challenges and needs for  
18  agencies as they develop response plans for a catastrophic  
19  earthquake.

20                  The workshops were also designed to foster  
21  and improve level of coordination and partnership between the  
22  state and FEMA -- the Federal Emergency Management Agency.

23                  And Rex serves as an Emergency Services  
24  Coordinator in the state emergency operations center, and he  
25  would provide coordination for TEMA, wireless carriers, and 911

1 centers should a major earthquake or other disaster occur.

2 He also participated in Operation Vigilant  
3 Guard during April, which tested the state military response to  
4 a major earthquake.

5 As far as NENA activities, I should mention  
6 that I was asked to join the NENA legislation/regulatory  
7 committee and that I will be serving on a panel about 911  
8 legislation at the NENA conference in Tampa.

9 That's the end of my report.

10 CHAIR PORTER. Thank you, Lynn.

11 One thing I might add, I'm not sure the  
12 information was given. We had to postpone our last board  
13 meeting, and that was due to sickness, with one of the board  
14 members having surgery, the other one having a battle with  
15 cancer, and there was not going to be a quorum -- or at least  
16 we were down to the point that if one person was sick the next  
17 morning or missed or got tied up in traffic or something we  
18 wouldn't have had a quorum. So we didn't want to bring  
19 everybody to Nashville knowing that. So we postponed the  
20 meeting until today.

21 Next item on our agenda is to consider the  
22 proposed amendment for the cost recovery plan for Cellular  
23 South.

24 MS. QUESTELL: Yes. Thank you.

25 Cellular South has asked to revise a part of

1 its cost recovery plan. And I have to explain that the plan is  
2 proprietary, which we -- so we have to treat it confidentially  
3 under our regulations, so I can't say any numbers or anything.  
4 And that's why I'm not.

5 But what they're seeking is an increase in  
6 monthly recurring costs to cover expenses associated with  
7 compliance testing. Cellular South drive tests each sector on  
8 each site in Tennessee twice a year, but it has not sought cost  
9 recovery for this activity.

10 Rex has reviewed the request and he's  
11 determined that it is reasonable. And the plan sets out a  
12 budgeted amount. We require these carriers to document actual  
13 expenditures to receive cost recovery, and if the actual costs  
14 exceed the requested amounts that matter will be brought back  
15 to the Board.

16 So we're essentially asking that the Board  
17 authorize cost recovery to the amount that they have requested  
18 so that they can use it for their compliance testing, which we  
19 all agree is a good thing.

20 CHAIR PORTER: You heard the recommendation  
21 of the Staff is that we approve the revisions to Cellular  
22 South's cost recovery plan. What's the will of the Board?

23 MEMBER RICH: I so move.

24 CHAIR PORTER: I have a motion by Mr. Rich.

25 MEMBER LOWERY: Second.

1 CHAIR PORTER: Second by Mr. Lowery to  
2 approve.  
3 Any discussion?  
4 (Pause)  
5 CHAIR PORTER: Hearing none, all in favor  
6 say aye.  
7 THE BOARD: Aye.  
8 CHAIR PORTER: All opposed, like sign.  
9 (Pause)  
10 CHAIR PORTER: Motion carried.  
11 Next item would be to consider Staff  
12 recommendations for the extension of landline rates for  
13 Hamilton, Johnson, Morgan, and Overton-Pickett County ECDs.  
14 MS. QUESTELL: Thank you.  
15 The land rates for those ECDS were renewed  
16 under the revisions to Policy No. 14 for extension. And Staff  
17 has analyzed the reports filed by the districts and we note  
18 that the contributions by other governmental entities has not  
19 been reduced and justification for the rates still appear to be  
20 valid and Staff has found no reason not to continue their  
21 current rate.  
22 We include this on the agenda primarily to  
23 make a record and to make sure the Board has no objections.  
24 CHAIR PORTER: So we don't have to vote on  
25 that?

1 MS. QUESTELL: No, not if there's no  
2 objections.

3 CHAIR PORTER: Does anybody have any  
4 objections to any of these districts being extended?

5 (Pause)

6 CHAIR PORTER: Okay.  
7 The next item on our agenda is to consider  
8 amending Policy 14 (Procedures for ECD Rate Increase Requests)  
9 to require certification of compliance with dispatchers  
10 training law and regulations as part of the rate increase  
11 application.

12 MS. QUESTELL: Thank you.

13 This is an idea that has come out of the  
14 Policy Committee, which is really focused right now on  
15 dispatcher training and assuring compliance. So in an effort  
16 for us to more closely monitor the dispatcher training  
17 regulations and compliance with them, Staff recommends that  
18 Policy No. 14 be amended to add a requirement that a district  
19 seeking a rate increase or a rate increase extension provide  
20 verification that they are compliant with the dispatcher  
21 training requirements in Tennessee Code Annotated 7-86-205 and  
22 the Tennessee Regulation 0780-6-2.

23 The proposed language would be included in  
24 the rate increase application and rate extension application,  
25 and the certification would simply say this:

1                   I hereby certify that each emergency  
2 call-taker or public safety dispatcher who receives an initial  
3 or transferred 911 call from the public, who is working for or  
4 pursuant to an interlocal agreement on behalf of -- your  
5 district -- has satisfied the minimum requirements for  
6 dispatcher training established in Tennessee Regulation  
7 0780-6-2.

8                   I further certify that evidence of  
9 completion of such training is available for inspection, as are  
10 the attendance records, course outlines, and lesson plans.

11                  This basically tracks the statutory language  
12 about who is required to get the training. And for all of you  
13 out there, the training is required no matter who their bosses  
14 are. If they are a dispatcher or a public safety call-taker  
15 who receives an initial or transferred 911 call from the  
16 public, they are require to receive this training. Even if  
17 they have no affiliation at all with an emergency  
18 communications district.

19                  With that said, the Staff asks that the  
20 Board adopt this amendment to Policy 14.

21                  CHAIR PORTER: You've heard the request from  
22 Staff to amend Policy No. 14 to add to certification to the  
23 rate increase application. What's the will of the Board?

24                  MEMBER LOWERY: So moved.

25                  MEMBER SNEED: Second.



1 CHAIR PORTER: I have a motion from  
2 Mr. Lowery and a second from Mr. Sneed that we approve this.  
3 Is there discussion?  
4 (Pause)  
5 CHAIR PORTER: Hearing none, all in favor  
6 say "aye."  
7 THE BOARD: Aye.  
8 CHAIR PORTER: All opposed, like sign?  
9 (Pause)  
10 CHAIR PORTER: Motion carried.  
11 CHAIR PORTER: The next item on the agenda  
12 is to consider 2007 audit findings regarding expenditure of ECD  
13 funds on items prohibited by the TECB Revenue Standards.  
14 Are we going to do these one at a time or --  
15 MS. QUESTELL: I'd like to give a little bit  
16 of context --  
17 CHAIR PORTER: -- for Meigs County and  
18 Cheatham County.  
19 MS. QUESTELL: As I said, I would like to  
20 give a little bit of context to this agenda item.  
21 The law states that this board was created  
22 for two reasons: to establish emergency communications for all  
23 citizens for the state and -- which is why we're dealing with  
24 this agenda item -- and to assist emergency communications  
25 districts in the area of management, operation, and

1 accountability.

2                   As most of us know, this second provision  
3 was enacted because there was a case of embezzlement in a  
4 district which resulted in criminal prosecution.

5                   The law is specific about the Board's  
6 oversight -- its responsibility for oversight in the areas of  
7 management and financial accountability. And the law sets how  
8 the Board is to provide this assistance.

9                   As you-all know, the law requires that the  
10 districts be audited annually in a program administered by the  
11 State's Comptroller's Office.

12                   The Comptroller's Office has issued an  
13 Accounting and Financial Reporting Manual that its independent  
14 auditors must follow. And that's on the Comptroller's  
15 Web site.

16                   This manual includes the Emergency  
17 Communications Board's Revenue Standards. And the Revenue  
18 Standards are also available on our Web site.

19                   The auditors of the districts are required  
20 to report violations of the Revenue Standards in their audit  
21 report.

22                   They submit their audit reports to the  
23 Comptroller's Office, and then the law requires that the  
24 Comptroller's Office send their final report to the Board. And  
25 that the law says -- and I quote -- the Board shall have the

1 authority to act upon any adverse findings noted in such audits  
2 or financial statements and to order such action as may be  
3 necessary to remedy the adverse findings. That's an end quote.

4                   It follows from this language that the law  
5 expects the Board to review the audit report and to take steps  
6 to help districts that have not put in place ways to assure  
7 compliance with the law and the Revenue Standards.

8                   These two matters are before the Board right  
9 now because our auditor is reviewing all of the 2007 audit  
10 reports received by the Office of the Comptroller.

11                   He has reviewed a little over half of the  
12 audit reports so far. Among other things, what we're looking  
13 for is to be sure that the management comments show that the  
14 districts have taken steps to correct findings.

15                   Of those audit reports he has reviewed, so  
16 far, only two -- Meigs County and Cheatham County Emergency  
17 Communication Districts reported audit findings for purchases  
18 of items prohibited by the revenue standards.

19                   Neither of the management comments showed  
20 that the district had taken meaningful steps to ensure that  
21 these findings did not recur.

22                   It should be noted that the Revenue  
23 Standards have been in effect since June 2001. The list of  
24 prohibited items that you cannot spend 911 funds on includes  
25 seven items. And I want to read them into the record: capital

1 or operational costs for emergency response equipment or  
2 personnel which respond after the call is dispatched; purchase  
3 or lease of emergency response vehicle or any vehicle not  
4 designated for exclusive use by a district; cost of purchasing,  
5 installation, or maintenance for public or private road signs,  
6 posts, or markers for addressing; gifts and flowers;  
7 entertainment expenses; civic club dues; cost of purchase,  
8 installation, and maintenance of outdoor warning sirens.

9 Will the representative of Meigs County  
10 Emergency Communication District please come forward?

11 (Pause)

12 MS. QUESTELL: Good morning.

13 CHAIR PORTER: Just have a seat at one of  
14 the tables there (indicating). And if each one of you would,  
15 would you state your name and your title for the recorder so we  
16 can get it on the record.

17 MR. RYAN: Hugh Bryan, Chairman of the Meigs  
18 County 911 Board.

19 MS. BREDWELL: Kelly Bredwell, 911 Director.

20 CHAIR PORTER: Okay.

21 MS. QUESTELL: I should note that directors  
22 are not voting members of the Emergency Communications District  
23 board of directors. We asked the directors to come because  
24 they need to be aware of the Revenue Standards and any decision  
25 that the Board would make that would impact their district.

1 And we would hope that the directors would commit to memory  
2 this list of prohibited items and inform the board of directors  
3 should any prohibited items be suggested in a board meeting.

4 I'm just going to read the audit report  
5 findings into the record, and then I'll give you-all a chance  
6 to respond.

7 Okay. The 2007 audit report of the Meigs  
8 County Emergency Communications District includes a finding  
9 requiring the Board's attention.

10 Finding 07-2 states, quote, a Christmas  
11 bonus in the amount of \$1,000 was given to the District's legal  
12 counsel. In addition, flowers were purchased. These expenses  
13 can be construed as gifts.

14 The District spent \$1,200 of E-911 revenue  
15 on a Christmas party which can be construed as a entertainment  
16 expense.

17 This is in violation of the Tennessee  
18 Emergency Board revenue standards.

19 The management comment in the audit report  
20 states -- and I'm quoting -- the Board was not aware that an  
21 end of the year or Christmas bonus was prohibited. The Board  
22 also learned after the fact that we were not allowed to send  
23 flowers to a funeral. In the future the District will make no  
24 purchases in regards to gifts.

25 The \$1200 for Christmas party was used for

1 the purchase of food. It was the District's belief that food  
2 purchases could be made.

3 The Auditor's response to the Management's  
4 comment states, bonuses given to individuals who are not  
5 employees of the District give the appearance of a gift, which  
6 is not allowable.

7 It is allowable to spend a reasonable amount  
8 of money on expenses for board meetings that are held in the  
9 normal course of business. The District spent an average of  
10 \$45 on board meeting expenses. However, the \$1,200 spent on a  
11 Christmas party appeared to be excessive.

12 After further review, the District paid \$50  
13 to rent Meigs County High School cafeteria for 100 guests,  
14 which included more than just board members.

15 Mr. Chairman, do you have any response to  
16 this?

17 MR. BRYAN: Yes. First of all, on the  
18 Christmas bonus for the District's general counsel, I've been  
19 on the board for two years. I've been chairman since -- I  
20 believe -- October of last year. And just asking around, it  
21 seems like that's kind of been the standard practice throughout  
22 the history of the Board with Mike Mahn, our legal counsel.

23 And I asked Mike about it. And he said,  
24 "Well, when we started out -- he said, "You really waited until  
25 the end of the year to see if you had enough money to pay me

1 anything before we proceeded any farther." So, that's just  
2 kind of -- I guess if you want to call it a tradition that  
3 we've done.

4                   This is the first year, I believe, that  
5 this has shown up in our findings. And what we did, we took --  
6 we made a special services agreement -- one both for  
7 Mr. Mahn and one for Ms. Bredwell -- that in the event they  
8 perform any services outside of their normal routine work, that  
9 we will acknowledge that and before the fact would specify the  
10 amount of money to be paid.

11 I know we've done that once in the past with  
12 Ms. Bredwell when she was -- I believe was compiling a report  
13 for here -- or a request for here. And the agreement was made  
14 ahead of time that she would do that and a certain amount of  
15 extra money would be paid to her.

16                               With Mr. Mahn, it's really bothered him, I  
17 would like to say. He has actually offered not to take a  
18 salary for the next year just to try to say that -- you know,  
19 the money is not important. And I rejected that.

20 But we do have this special service  
21 agreement in place now, if that is adequate for the Board to as  
22 far as --

23 MS. QUESTELL: I think that we would need to  
24 review those.

25 I think also -- correct me if I'm wrong.

1 Our financial people -- the concern is that it's the District's  
2 responsibility to budget items. And you can pretty much pay  
3 people whatever you want, but it has to be put in your budget.

4 I'm not entirely sure -- we'll have to look  
5 at the special services agreement, but I think that's probably  
6 the problem.

7 Jim, do you have --

8 MR. BARNES: I was just going to say that it  
9 would certainly depend on the wording that they have and the  
10 basis for the determination of the amount of money to be made  
11 and the types of services.

12 MS. QUESTELL: So, can you enter that  
13 agreement into the record, so it can be reviewed?

14 MR. BRYAN: Yes. I have a copy for each one  
15 of you.

16 MS. QUESTELL: Is it true that the Christmas  
17 bonus was actually written on the check? I think that's how  
18 the auditor found that payment to be inappropriate.

19 MS. BREDWELL: That is correct.

20 MS. QUESTELL: So, how did the Board  
21 actually authorize these expenditures?

22 MR. BRYAN: That would have been done at our  
23 December meeting. And that has been standard practice of the  
24 Board. Which coming on to the board and seeing something that  
25 was always in place, I just -- I didn't ever question that



1 until it was brought to our attention. So we are trying to  
2 make corrections to that.

3 We have given Mr. Mahn a raise. So part of  
4 the correction is to increase his salary.

5 MS. QUESTELL: Could you please enter the  
6 December minutes into the record, as well? Just send them  
7 in --

8 MR. BRYAN: Okay.

9 MS. QUESTELL: -- fax or e-mail will be  
10 fine, so that we can look at that.

11 How was the expenditure for the flowers --  
12 was that considered by the Board in its entirety?

13 MR. BRYAN: I believe that was at the  
14 discretion of the previous chairman. The chief deputy of the  
15 Sheriff's Department, his wife had passed away, and he asked  
16 Ms. Bredwell to send flowers.

17 But it wasn't something that the Board  
18 actually voted on?

19 MS. BREDWELL: No, sir.

20 CHAIR PORTER: Do you-all -- I mean, do  
21 you-all have a copy of the Revenue Standards?

22 MR. BRYAN: Yes.

23 MS. BREDWELL: Yes, we do.

24 CHAIR PORTER: Have you had it in the past,  
25 though? I mean --

1                   MR. BRYAN: No, I believe I saw it when this  
2 all came up.

3                   CHAIR PORTER: That's a very important  
4 document that was created to try to give guidance to the  
5 districts. And everyone may not agree with it, but at the time  
6 it seemed like it was the best thing to do.

7                   So that's what we have to follow by. And  
8 when it sticks out -- this really stuck out like a sore thumb  
9 on you-all's audit findings -- these two or three items.

10                  So we have to make sure we address them and  
11 make sure that you-all understand that. And that's the reason  
12 for you being here today.

13                  Are we ready to --

14                  MR. JOSEPH: Let me ask them something.

15                  When did you-all create this special  
16 services agreement that you just talked about? When did you  
17 create that?

18                  MR. BRYAN: That was after we received the  
19 audit findings this past year.

20                  MR. JOSEPH: And when did you first enter  
21 into a written special services agreement with your legal  
22 counsel? Do you have a signed written service agreement with  
23 him?

24                  MR. BRYAN: When we first employed him?

25                  MR. JOSEPH: No, no. This special services

1 agreement, when did he first sign that?

2 MS. BREDWELL: He has a signed copy. It was  
3 on February 26th.

4 MR. BRYAN: February 26th.

5 MR. JOSEPH: That's all. Thank you.

6 MS. QUESTELL: Let's move on to the  
7 Christmas party.

8 MR. BRYAN: All right. Here again, I don't  
9 know about the entire history. What was typically done at our  
10 December meeting is invite the elected officials and a guest to  
11 come and be a part of that. Public education, if you will.

12 And so this year -- the year in question --  
13 the previous year we had met at the Community Center -- or the  
14 City County Community Center, which was not large enough. It  
15 was very crowded. And so we said why don't we move to the high  
16 school where we've got more room to do that. And that's why  
17 this came about renting the high school.

18 And, yes, it is catered. And we assumed a  
19 certain number of people are going to be there. And that's why  
20 the expense was more than a typical -- a regular board meeting.

21 MS. QUESTELL: I want to say, I didn't spend  
22 that much on my wedding reception. Do you think this is a  
23 reasonable amount? Do you think as a matter public policy this  
24 is an amount that every district should be spending to --  
25 whatever you-all did?

1                   MR. BRYAN: Here again, I wasn't really in  
2 on the planning of that. Like I said, I've been chairman  
3 since -- okay. And so -- and so, yes, I think that is quite a  
4 bit of money. We realize that.

5                   And also the turnout wasn't that good  
6 because a lot of the people didn't -- didn't come.

7                   So what we did this past year, we actually  
8 used a restaurant so that we'd only be paying for the number of  
9 people that came. And I'm not sure what the amount of that  
10 was.

11                  MS. BREDWELL: For that meal it cost \$600 or  
12 less.

13                  CHAIR PORTER: You cut it in half.

14                  You know, the Revenue Standards allow board  
15 meeting expenses. I mean, that's something that's allowed  
16 there. I think you just have to be careful on that line that  
17 you cross as a board meeting expense as being something  
18 extravagant.

19                  I think you -- you know, when you start  
20 looking at a district your size -- 400 or \$500 one time a year  
21 probably isn't a big deal. But when you start looking at \$1200  
22 or more -- I don't know what they cost in the past. That  
23 really sticks up as a red flag, too.

24                  And I understand where you're trying to  
25 educate your officials and stuff and make them involved in 911

1 and everything. Like you say, most of them don't even show up  
2 for -- to the meetings. So that's another kind of fine line  
3 you have to walk.

4 MR. BRYAN: And the reason for the 600 this  
5 year is we had a really good turnout as far as them coming.

6 MS. QUESTELL: Have any of your board  
7 members attended any kind of seminars on district management  
8 or -- through TENA or entities like that?

9 MR. BRYAN: No. In fact, we've had such a  
10 large turnover. We've had one board member that's been on the  
11 board -- how long has he been on the board?

12 MS. BREDWELL: 1998.

13 MR. BRYAN: Since 1998. And I'm the second  
14 senior person. And I've been on it for two and a half years,  
15 I think.

16 MS. QUESTELL: Well, have you made  
17 arrangements so that your director could attend TENA meetings  
18 and seminars?

19 MR. BRYAN: She does attend the TENA  
20 conference.

21 MS. QUESTELL: Have you thought about what  
22 your board should do to make this right?

23 I mean, the law talks about remedy for these  
24 violations. Have you given some thought to what you-all would  
25 do to remedy -- if these are found to be violations?

1                   MR. BRYAN: Well, for one thing, we are just  
2 looking closer at the actions that we take. And, you know, I  
3 don't want to put it all on the last chairman, but he was a  
4 real take charge kind of guy and didn't really want any input  
5 from any of the board members until he said vote on something.  
6 And so we're trying to correct that by getting more input from  
7 the board members and more discussion about these things.

8                   Let me go to finding 1 about the budget  
9 amendments. I would like to --

10                  MS. QUESTELL: Sure.

11                  MR. BRYAN: Just to let you know, we are  
12 trying to take action on things.

13                  Here again, that is something that has been  
14 yearly in our audit findings that we amend after we spend.

15                  And I came on, and was elected treasurer  
16 when I came on, and I began to try to correct that. And so  
17 what we have done in the past was that we waited on our report  
18 from our bookkeeper to tell us, you know, where we stood on the  
19 budget. Which is after the fact.

20                  What we did was construct an Excel  
21 spreadsheet from Ms. Bredwell for each line item in the budget  
22 so that before she got the check she looks and sees if there is  
23 enough money in that line item before she writes the check.

24                  So we have taken a big step to try to  
25 control that.

1 I will say this year that we have gone over  
2 that twice. One time for public education.

3 We buy materials to give out at the schools.  
4 We have one from Meigs South and one from Meigs North.

5 Well, we had planned on giving those  
6 materials out for our K through 3. And when the school showed  
7 up for the program, it was all of the school. And so we used  
8 all of our materials. And we had to have materials for the  
9 next week for the next school. So Ms. Bredwell went ahead and  
10 purchased those, which put us over that budget item.

11 And we had surety bonds. We had an extra  
12 surety bond because of a huge turnover that we had.

13 We have violated that two times, but I  
14 believe for reasonable things.

15 CHAIR PORTER: Meeting your budget on a  
16 timely manner, I think that's going to be the key thing.  
17 You're going to have to budget as things come up.

18 MR. BRYAN: We also set in place a procedure  
19 where Ms. Bredwell is allowed to spend up to \$1,000 -- with the  
20 agreement of the chairman -- for those very things.

21 CHAIR PORTER: Correct me if I'm wrong,  
22 Lynn, but this is the first one that we've had anything like  
23 this, so we're kind of breaking new ground here. The Board has  
24 evolved over the years from making sure of Phase I and Phase II  
25 wireless to moving more into our regulatory requirements --

1 TCA requirements -- and making sure things are done right in  
2 the districts.

3                   And we're not here to kill you, we're here  
4 to help you. I hope everybody understands that. And to help  
5 the district to meet its requirements -- its regulatory  
6 requirements.

7                   And so that's the reason for having you here  
8 today, to kind of -- to make sure that we have a good feeling  
9 from you that these things aren't going to happen in the future  
10 and that you-all are going to fix your problems.

11                   I mean, do you-all have good feeling for  
12 that or --

13                   MR. BRYAN: Yes. We operate in good faith.  
14 And, you know, sometimes we find out things that we were not  
15 aware of. But I have a lot more information now than I did,  
16 you know, beforehand, as far as procedures and policies and  
17 administerial things from the State. So I think we're much  
18 more qualified to be able to operate within the bounds with  
19 what we're supposed to do.

20                   CHAIR PORTER: I'm going to open it up right  
21 now for any other questions from any of the board members  
22 before we take any action.

23                   MEMBER SMITH: Thank you, Mr. Chairman.

24                   Sir, how often does your board meet? Do you  
25 meet on a monthly basis?



1 MR. BRYAN: Every other month.

2 MEMBER SMITH: Every other month.

3 And at those board meetings, do you  
4 receive -- I know you've mentioned you were the treasurer. Do  
5 the board members receive the financial report --

6 MR. BRYAN: Yes, sir.

7 MEMBER SMITH: -- so that there's an  
8 opportunity to bring amendments on a bimonthly basis?

9 MR. BRYAN: That's correct.

10 And we have had special called meetings.  
11 We recently have been upgrading our equipment and putting  
12 GPS in and all the things that go along with that. And so  
13 we've actually had, I believe, two called meetings just for  
14 the purpose of amending the budget before we spent the funds  
15 on that.

16 MEMBER SMITH: So -- I want to be clear I  
17 understand. The issue that we've been previously discussing,  
18 that was not a case of where the fees had exceeded what you had  
19 budgeted, that was chosen to be a bonus outside of a budgetary  
20 charge because there had been more hours billed than your  
21 arrangement?

22 MR. BRYAN: Yes. Mr. Mahn usually goes  
23 above and beyond the call of duty in whatever he does for us.  
24 And I guess you can call it an appreciation thing. Because it  
25 wasn't specified, you know, as a bonus. It was specified what

1 it was for, but it is accepted by the Board that that was for  
2 the extra work that he had been doing for us.

3 MEMBER SMITH: But it was brought to the  
4 Board just as you had mentioned the surety bond issue or  
5 utility or some other expenditure exceeding what you originally  
6 had budgeted? Am I correct in that?

7 MR. BRYAN: Yes. That goes before the  
8 Board. And typically at our December meeting one of the board  
9 members makes a motion to give Mike a certain amount of money.  
10 And we probably do call it a bonus at that point.

11 CHAIR PORTER: Maybe you ought to look at  
12 increasing your line item for legal expenses at the beginning  
13 of the budget, and you can always set up -- a lot of times with  
14 attorneys they will charge a retainer fee but then they have an  
15 extra hourly fee if they do anything beyond the call of the  
16 normal contract. And then that way he turns in his hours at  
17 the end of the year -- if he does extra work -- and you already  
18 have that money budgeted in your line items and it doesn't look  
19 like it's a proprietary --

20 MR. BRYAN: In fact, that amount of money is  
21 in our budget. This is -- the bonus that is paid to Mike, it's  
22 a budgeted amount. It's already been in our budget to do that.

23 I think it's the terminology we're using.

24 CHAIR PORTER: Yeah. When you put a  
25 Christmas bonus on there, that makes it look like he didn't do

1 any extra work to get the --

2 MR. BRYAN: Yes, sir. Christmas party  
3 doesn't look good on the check either.

4 CHAIR PORTER: We're hoping we learn from  
5 our mistakes and fix it.

6 Other questions?

7 MEMBER LOWERY: Also -- you probably already  
8 know this, but on the two items that you mentioned that you've  
9 gone over for this year, you can correct them before June by  
10 moving line items from whatever, that will not be a finding as  
11 long as it's done before the end of the year.

12 MR. BRYAN: That is a policy that we used,  
13 but apparently our auditor didn't think that was adequate.

14 CHAIR PORTER: Other questions of the  
15 board members?

16 MEMBER SNEED: I do have a question. I  
17 guess this would in terms of your Christmas party. Is that  
18 invitation only, or is it just for all the County officials?  
19 How is that brought about in terms of who gets to come?

20 MR. BRYAN: It is invitation. Elected  
21 officials are the ones that come. And they are allowed to  
22 bring a guest.

23 MEMBER SNEED: What was the difference,  
24 again, in -- between last year's and this year's? \$1200 and  
25 600?

1 MR. BRYAN: 600. Yes.

2 MEMBER SNEED: What was the difference?

3 More people showed up at the first one or the second one, or  
4 what?

5 MR. BRYAN: The first one, we actually had  
6 it catered, and a caterer provided food for what we expected  
7 would be the amount of people coming in. That's why that \$1200  
8 was there, I think -- the \$50 for using the high school  
9 cafeteria plus whatever the caterer charged.

10 The reason this one was lower was because we  
11 actually went to a restaurant so that we only would be paying  
12 for the number of people who came to the meeting.

13 MEMBER SNEED: And have you thought about in  
14 the future just budgeting a certain amount? Just saying we're  
15 going to put aside 300, and, you know, that's it? Or -- you  
16 know, just kind of leaving it at that, as opposed to getting a  
17 bill and not really knowing what it's going to be and it being  
18 a surprise?

19 MR. BRYAN: These are budgeted items. We  
20 have money to do this.

21 And the reason the auditor said something  
22 about it, I think, was because of the terminology on the memo  
23 line of the check.

24 So these things that we're spending -- we  
25 are not spending above our budget to do these things. Those

1 are budgeted items.

2 CHAIR PORTER: Okay. The Board needs to  
3 decide what, if any, action we're going to take concerning --  
4 does the Staff have a recommendation?

5 MS. QUESTELL: Well, we would ask that the  
6 District be directed to send us their minutes within five days  
7 of them being approved so that we can help you and kind of keep  
8 a -- have a better idea of what's going on there.

9 And we would ask that the Board encourage  
10 some of your board members, as well as your director -- which  
11 you're already doing -- to get some management training. TENA  
12 offers that.

13 I know at the conference in Pigeon Forge  
14 this year that we will be offering a seminar on district  
15 management.

16 I think that is our primary request, is that  
17 we receive the minutes so that we can kind of help them and  
18 keep an eye on them, and for them to be encouraged to send  
19 people to get training.

20 I also just would like to say that as Staff  
21 we will definitely try to do a better job of ensuring that the  
22 districts are familiar with the Revenue Standards and with  
23 appropriate practices and procedures. And I commit to that we  
24 will focus more on that.

25 And we're planning on trying to videotape

1 our class at TENA -- at the TENA conference this year -- and  
2 make it available to all district board members.

3 CHAIR PORTER: So, what length of period do  
4 we want to be receiving their minutes? For how long are we  
5 going to do that? Do we want to set a timeframe?

6 MS. QUESTELL: I'd say for at least a year.

7 CHAIR PORTER: Okay. So, basically, what  
8 Staff is asking us to do is to put Cheatham County [sic] in a  
9 review mode so that we review their minutes from each board  
10 meeting for the next 12 months and to recommend to them that  
11 they try to get their board members to attend the TENA meetings  
12 and become familiar with this, and ask them -- and I'm not  
13 putting the director down -- but part of your job is to make  
14 sure that you take care of these folks and keep up with this  
15 information. That's a director's daily job.

16 You're their -- they're doing this for free.  
17 And it's expected, I think, if you have an employee that your  
18 director is to keep the Board updated and make sure they don't  
19 get into these situations.

20 I'm not -- I'm not trying to kill you here.  
21 I'm just trying to make a statement to other directors, too, to  
22 make sure that they take care of the Board. You're supposed to  
23 be the one that has knowledge of all this stuff.

24 MEMBER SNEED: One other question.

25 CHAIR PORTER: Okay.

1                   MEMBER SNEED: For my knowledge, and that  
2 is, in relationship to this party, when it states that it's for  
3 board members, is there a violation when that goes into other  
4 county officials, or is it specifically for 911 board members?

5                   CHAIR PORTER: I don't think the Revenue  
6 Standards -- and correct me if I'm wrong, Lynn. I don't think  
7 it states one way or the other. It says that board meeting  
8 expenses are an eligible expense. I think it's very brief and  
9 doesn't go into any detail as to what that -- what that  
10 encompasses. It's kind of broad.

11                  MS. QUESTELL: It just may be that the Board  
12 at a future meeting may want to consider clarifying that a  
13 little bit more.

14                  CHAIR PORTER: I know Lynn is working with  
15 the Comptroller's Office right now about trying to -- on the  
16 Revenue Standards -- make them more easier to read and  
17 clarifying some of the stuff that's in there now.

18                  MR. McLEOD: Mr. Chairman, this is Meigs  
19 County not Cheatham.

20                  CHAIR PORTER: Yeah, I corrected that a  
21 while ago. I first said Cheatham, and then I said Meigs. Or  
22 at least I thought I did.

23                         If I didn't, for the record, we're talking  
24 about Meigs County. I'm sorry.

25                  MEMBER SNEED: If I may. A little guidance.

1 Because I was actually -- it's sort of an odd question, I  
2 guess. But I was thinking about this.

3 Because these are public meetings and  
4 because they are dinner meetings, we encourage our board  
5 members to come. When we start getting 20 people coming to  
6 those things, does hospitality play a role in that? That might  
7 be something to think about, you know, as far as how we handle  
8 those sort of things.

9 CHAIR PORTER: Right now the rate is very  
10 broad. It just says board meeting expenses. So that's pretty  
11 open. So maybe we do need to clarify that some.

12 You've heard the request from Staff that we  
13 put the District under review for the next 12 months and  
14 reviewing their minutes from their meetings and encouraging the  
15 folks to go to TENA meetings and conferences and the board  
16 members and directors familiarize themselves with the State  
17 ECD's policies and regulations and the TCA. What's the will of  
18 the Board?

19 MEMBER SMITH: Mr. Chairman, I move to  
20 approve Staff's recommendation.

21 CHAIR PORTER: A motion by Mr. Smith.

22 Do I have a second?

23 MEMBER RICH: Second.

24 CHAIR PORTER: Second by Mr. Rich.

25 Is there discussion?



1 (Pause)

2 CHAIR PORTER: Hearing none, all in favor  
3 say "aye."

4 THE BOARD: Aye.

5 CHAIR PORTER: All opposed, like sign?

6 (Pause)

7 CHAIR PORTER: Motion carried.

8 Thank you. And we appreciate you coming  
9 today.

10 Okay. The next item is Cheatham County. If  
11 the Cheatham folks would come forward.

12 (Pause)

13 CHAIR PORTER: And if each one of you would  
14 state your name and what your position is at the ECD.

15 MR. BURTON: Richard Burton, Chairman of the  
16 911 board.

17 MR. COOK: Joseph Cook, Director.

18 MR. LUPPE: Frank Luppe. I'm the  
19 independent contractor that provides accounting and CPA  
20 services to the Board.

21 CHAIR PORTER: All right. Thank you,  
22 gentlemen, for coming.

23 Lynn, you want to --

24 MS. QUESTELL: Yes. I'm going to quote from  
25 the audit report.

1                   It states, in reviewing subsequent events, I  
2   noted a donation expenditure in the amount of \$30, which is in  
3   violation of the Tennessee Emergency Communications Board's  
4   Revenue Standards.

5                   The management comment to this finding  
6   states this finding has been discussed with the board chairman,  
7   Mr. Rickey Burton, who has acknowledged that the Board  
8   authorized this donation in error. Mr. Burton will discuss  
9   this matter with the full board at its February 2008 meeting  
10   and is committed to ensuring this kind of expenditure does not  
11   occur in the future.

12                  Mr. Burton further commented that this  
13   expenditure was discussed with the Board attorney, who advised  
14   that the only authorized contributions of E-911 revenues was  
15   for Chamber of Commerce dues. He further commented that it  
16   could be "hidden." And he said this was from the minutes of  
17   the November 12th, 2007, meeting.

18                  The minutes of the November 12th, 2007,  
19   meeting state Mrs. Montgomery motioned and Mr. Wilcutt seconded  
20   to make a donation not to exceed \$50 in the name of Ronnie,  
21   Michele, and Yvette Coulon in honor of their mother.

22                  Question was asked of Mr. Mahn if there was  
23   any problem with this motion. He indicated that the only use  
24   of funds authorized was a contribution for Chamber of Commerce  
25   dues. He further commented that it could hidden.

1                   The vote on this was -- vote seven yes; one  
2 abstain; one absent.

3                   The minutes from the next meeting, which  
4 was held on December 10, 2007, state Mr. Biggs motioned;  
5 Mr. Pace seconded to approve minutes with the following  
6 changes: show Rickey Burton in at 6:45 p.m.; change "activity"  
7 to "inactivity"; gift to friends of the library in name of  
8 Rodney Coulon.

9                   Do you have any comments about this?

10                  MR. BURTON: Since we found out the flower  
11 donations shouldn't be made -- I mean, I've been chairman for  
12 15 years, and before -- in the past we did that. We sent out  
13 flowers for this or for families. It was just a mistake on my  
14 part being chairman by not catching that.

15                  And since then we have changed that in our  
16 minutes and we no longer do that. We've got a flower fund that  
17 the board members contribute to at every meeting. And that's  
18 the way we're going to have it from now on.

19                  MS. QUESTELL: Do you want to talk about the  
20 whole reference to "hidden"? Expenditures being hidden and  
21 what that means?

22                  MR. BURTON: Well, I can't really talk about  
23 what Mr. Mahn was talking about. He just made the comment that  
24 we could hide it. And why he made that statement, I have no  
25 idea.



1 degree of ethics. And public officials have it hard enough as  
2 it is without comments like this being made.

3 I don't know what Mr. Mahn was thinking. I  
4 think a lot of Mr. Mahn. He has been a pioneer in the 911  
5 field in this state for a long, long time. But to say  
6 something like that, I felt like it needed to be included in  
7 the minutes.

8 Wrong, right, or indifferent, I did it. And  
9 I will do it again.

10 CHAIR PORTER: That speaks highly of you, I  
11 think, to make sure that the -- you know, sometimes we all make  
12 comments that folks can take out of context, folks can take  
13 different or whatever, but when you're sitting in a  
14 governmental board meeting we try to be careful not to say  
15 things like that.

16 That's what really raised -- I mean, that  
17 stuck out -- really stuck out, I thought, in my mind. That  
18 makes me worry that if we're saying stuff like that can be  
19 hidden -- the point of you-all giving flowers all these years  
20 and maybe you didn't know, or maybe somebody hadn't done their  
21 job to make sure you knew that you couldn't do that, and you  
22 come in and you say we're going to correct it, we're not going  
23 to do that anymore. Now the Board is taking up a fund amongst  
24 its board members. I mean, you fixed the problem.

25 But to hear somebody to say we could hide

1 this makes me wonder has there been things hid before.

2 MR. BURTON: There has not.

3 CHAIR PORTER: And maybe not. But knowing  
4 that Mr. Mahn serves not just with this board but a lot of  
5 other boards in the state, it makes you worry about those, too,  
6 then. Is this stuff being hidden at different places? So  
7 that's what really got us.

8 It really looked bad. It really did.

9 Especially for an attorney to make a comment like that.

10 MR. BURTON: It makes me feel bad because I  
11 thought he was going to be here today because I talked to him  
12 this morning.

13 CHAIR PORTER: That concerns us.

14 It makes me feel better to know that you-all  
15 have corrected your problem on the flowers, though. And it  
16 still -- I mean, I think every board will tell you that if you  
17 have one of your board members pass away or one of their  
18 immediate families or whatever, and you know you want to do  
19 something, and the thing -- the first thing in your mind is  
20 let's send some flowers. Somebody sends them and they charge  
21 them to the 911 board. I see how that happens.

22 But when it comes down to it, the regs say  
23 you can't do that. That makes me feel good to know that  
24 you-all corrected that.

25 What -- and I'm not going to give my speech

1 again about the 911 director to help the Board to keep up with  
2 those things.

3 MEMBER SMITH: Mr. Chairman, I'm sorry to  
4 interrupt you. I just want to make certain we're understanding  
5 because there is some information included here.

6 Mr. Cook introduced himself as the director,  
7 but clarify me if I'm wrong. You're not the director of the  
8 911 district; is that correct?

9 MR. COOK: I'm director of E-911. I answer  
10 to the Mayor. I don't answer to the Board.

11 MR. SMITH: That's what I understood from  
12 your correspondence. I just wanted for the record to make  
13 certain that you're not an employee of the District.

14 MR. COOK: That's my understanding.

15 MR. BURTON: The Board reimburses the County  
16 for all expenses incurred for the director. He is an employee  
17 of Cheatham County's Government. But the Board, on a quarterly  
18 basis, reimburses the County for all his salaries, Social  
19 Security, Medicare, and any associated costs that are  
20 associated with his work.

21 MR. LUPPE: He's a -- it's a contracted  
22 governmental agency, is the line item we use. So in a  
23 roundabout way we pay for him and we have no direct control  
24 over him.

25 And when I say "we," I guess I'm over

1 associating myself with the Board. But the Board pays for him.

2 MEMBER SMITH: Let me make sure I understand  
3 this.

4 The District funds an employee which they  
5 don't have any oversight?

6 CHAIR PORTER: They reimburse the County.

7 MR. LUPPE: They reimburse the County for  
8 the expenses associated with Director Cook.

9 MEMBER SMITH: But Mr. Cook just told us he  
10 reports to the County Mayor, he doesn't report to the Board.

11 MR. BURTON: No, he reports to the Board  
12 every month. Yes, sir. On the things -- or his needs.

13 MEMBER SMITH: But if you saw some action  
14 you thought needed to be taken, you couldn't direct him to do  
15 that?

16 MR. BURTON: Well, we have before. We have  
17 a pretty good working relationship with Mr. Cook. If anything  
18 comes down the pike, he'll call me on my cell phone and say I  
19 want to let you know we're going to do this and this. And then  
20 we talk to the Mayor, review it with the Board, and take care  
21 of it that way. He talks to the Board.

22 CHAIR PORTER: Is that -- this relationship,  
23 you've got, is that covered in an interlocal agreement?

24 MR. BURTON: Uh-huh. Yes.

25 CHAIR PORTER: The only thing, it might



1 be -- I know in other interlocal agreements I've seen where it  
2 actually stated that the director -- even though he's a County  
3 employee and reports to the County Mayor still, because we're  
4 paying for his salary -- still must answer to the board members  
5 and so forth -- to the Board and so forth. So that might be  
6 something you could look at spelling out. If that would be an  
7 issue -- if it is.

8 MR. HOLLAWAY: I might say that we have  
9 similar language throughout the state where the directors --  
10 they're called the director but they're not paid or directed by  
11 the Board. But they're a functioning director.

12 MEMBER SMITH: Mr. Chairman, my purpose in  
13 asking this, in the previous group it was clear that the  
14 director had some involvement in the audit findings. And I  
15 want to make certain I understood that Mr. Cook didn't have  
16 oversight or supervision or any responsibilities -- and you may  
17 want to address that -- as to the finding in the audit.

18 CHAIR PORTER: So, Mr. Cook, you don't write  
19 the checks? You don't have anything to do with the budgets?

20 MR. COOK: No, sir. All of that --  
21 Mr. Luppe and myself sit down, once a year, and we go through  
22 and we say, okay, this is what we need this year; we can cut  
23 this; we can raise this. And then he takes it before the  
24 Budget Committee.

25 I am part of it, but I don't have a vote

1 in it. I explain what I need and why I need it, and they pass  
2 the budget. And basically he cuts the checks. If I need a PO,  
3 I call him and say I need a PO.

4 And basically that's it.

5 CHAIR PORTER: You basically run the 911  
6 center, and it's your job --

7 MR. COOK: Yes, sir. I'm a personnel  
8 manager and I run the 911 center, basically, is what it boils  
9 down to.

10 CHAIR PORTER: Your situation is a little  
11 different than the previous one.

12 MR. COOK: Yes, sir. That's correct.

13 CHAIR PORTER: So in that situation, then,  
14 it puts it back on the board members and folks that you're  
15 hiring to keep you updated of what's going on with -- and  
16 Mr. Mahn, too. He's been involved in this for years and years  
17 and years and knows about the Revenue Standards and so forth.  
18 If you're paying him as your legal counsel and paying these  
19 folks to do your accounting -- and those folks, they need to be  
20 aware.

21 And I applaud you for putting that in the  
22 minutes. I think it's very admirable. That you would not put  
23 that in, I think that says a lot for your integrity.

24 MR. LUPPE: I would like to add one more  
25 thing, if I could, Mr. Chairman. And I hate to sit here and --

1 CHAIR PORTER: No, go ahead.

2 MR. LUPPE: I'm the one that asked the  
3 question of Mr. Mahn could this be done. Because I wasn't -- I  
4 didn't even know Revenue Standards existed. I assumed they  
5 did, but I didn't know. And that's why I asked Mr. Mahn.

6 I know now. I've got them on my desk.

7 The second thing is, the Board has out of  
8 their individual pockets paid to reimburse that \$30. And that  
9 \$30 has been deposited into the operational account of the  
10 Board.

11 If you would like a copy of the deposit  
12 slip, I'll be happy to forward it.

13 CHAIR PORTER: That's great.

14 Any questions of the board members?

15 MS. QUESTELL: I just want to try to make  
16 the record clear.

17 I want to also commend Frank, we hold him in  
18 the highest regard and have had a continuing relationship that  
19 is just built on the respect we have for you.

20 What code did you use to chart that  
21 expenditure?

22 MR. LUPPE: Board meeting expense. And then  
23 when the \$30 come back I offset that expense. So it washed  
24 out.

25 MS. QUESTELL: Have any of your board

1 members attended seminars on district management and proper  
2 procedures and stuff?

3 MR. BURTON: Before, in the past, some of  
4 them had. But we've had some turnaround on the board and I  
5 can't -- I think there may be two board members that hadn't  
6 been, recently. But most of them have been.

7 MS. QUESTELL: Have you made arrangements so  
8 that it would be -- so that Joe could go?

9 MR. BURTON: Oh, yes. Joe goes.

10 MS. QUESTELL: I guess I just want to kind  
11 of plow into this a little bit more. After Mr. Mahn made that  
12 comment, did the Board, then, vote to go ahead and make that  
13 expenditure knowing that it would be hidden?

14 MR. BURTON: Yeah, I guess they did.  
15 Because a check was sent for the flowers. Yeah.

16 MS. QUESTELL: Okay. That's all I have.

17 CHAIR PORTER: Any other questions from any  
18 of the board members?

19 (Pause)

20 CHAIR PORTER: What is the recommendation  
21 from Staff on Cheatham County?

22 MS. QUESTELL: Well, again, Staff would  
23 request that we receive the minutes from every board meeting  
24 within five days of their approval so that we can help you and  
25 work together to make sure that these kind of things don't

1   happen again.

2                   I'm very concerned that the Board would vote  
3   to do something after knowing that it would be hidden. Do you  
4   have any thought on that?

5                   MR. BURTON: I don't think that the Board  
6   took the word "hidden" as being something that we were doing  
7   wrong. I think it just came out in content -- in talking.

8                   I mean, we've had all of this before, and  
9   we've never had a wrong finding, other than this, as long as  
10  I've been on the board. And I can honestly say this is the  
11  best board that I've ever seen. I've been around for a lot of  
12  different meetings -- and I'm not knocking anybody else's board  
13  down. But we get everything solved. And we've never tried to  
14  hide anything. It just came out in conversation.

15                  And like I said, Frank put it in the  
16  minutes. I can't speak for why Mike said that. But it will  
17  not happen again. I promise you that.

18                  CHAIR PORTER: That's what we're looking  
19  for.

20                  So the recommendation of Staff is that we  
21  put Cheatham County, also, in a review status where we can  
22  review their minutes for the next 12 months?

23                  MS. QUESTELL: Yes.

24                  CHAIR PORTER: And they've already took care  
25  of the problem about reimbursing of the flower fund. So we

1 really don't need to ask them to do that.

2 MEMBER SNEED: I do have one question.

3 What is the relationship with Mr. Mahn at  
4 this time? What has his comments been?

5 CHAIR PORTER: You want to answer that?

6 MR. BURTON: Well, I can.

7 After today, me and Mr. Mahn are going to  
8 have a talk. I talked to him this morning and he informed me  
9 that he was going to meet me here. Then I find out after I got  
10 here -- ten minutes before I got here that he had something  
11 come up and that he had to go.

12 I mean, if it was an emergency, that's fine.  
13 But I was under the assumption he was going to be here.

14 We just had a board meeting Monday night,  
15 and he knew we was going to be here today. And he never said  
16 anything to us.

17 So, we're going to have to have a talk about  
18 that.

19 MEMBER RICH: Mr. Chairman, do we need to --  
20 before we take -- I'm sure we're going to take some action --  
21 ask Mr. Mahn to be here --

22 CHAIR PORTER: Have you spoken to him, Lynn?

23 MS. QUESTELL: No, I haven't spoken to him  
24 about this. But we have emailed.

25 I would like to make the point that this

1 board has jurisdiction over districts. This board has no  
2 jurisdiction over attorneys who represent districts.

3 If you have got questions you would like to  
4 ask him, then, certainly, we could have him come in. But as  
5 far as the Board doing anything to Mr. Mahn, that would not be  
6 appropriate because we do not have jurisdiction.

7 MEMBER SNEED: Even though they seemed to  
8 have taken the action based on bad advice?

9 CHAIR PORTER: That, again, falls back on  
10 the District for doing that. We -- our sole authority is over  
11 districts and not over the attorneys. Whether that's good or  
12 bad, that's the way it is.

13 Now, if you want to have him to come in and  
14 ask him questions, that's totally up to the Board. We couldn't  
15 do anything to him other than ask him questions.

16 MEMBER SNEED: Do you feel comfortable going  
17 forward in terms of the relationship?

18 MR. BURTON: Right now I can't say. The way  
19 I feel anyway.

20 MEMBER SNEED: As far as you talking about  
21 Mr. Mahn?

22 MR. BURTON: Yes, sir.

23 CHAIR PORTER: I think in reviewing their  
24 minutes we'll see how that works out.

25 MEMBER SMITH: I want to make a -- I'll try

1 to be very brief. But I think in the interest of full  
2 disclosure and certain clarification -- I'm in a situation  
3 here. I happen to be an emergency telephone service charge  
4 rate payer and a property owner and taxpayer, so I have some  
5 interests and concerns there, which I'll convey in a written  
6 form for Mr. Burton and the Mayor -- and that aspect of it.  
7 But I want to make certain that it's clear that my comments are  
8 coming from the duties and responsibilities of sitting on this  
9 board.

10 And, secondly, I guess I need to ask this to  
11 Frank. I notice in the materials we have to go over regarding  
12 this, there's reference to your December 2007 meeting where  
13 there was a budget transfer of \$400 from training expenses for  
14 board members and travel expenses. And it indicates that it  
15 was to purchase \$45 Wal-Mart gift cards for 16 employees.

16 Do you construe that as a gift? Or how did  
17 you -- how did you arrive at that?

18 Or maybe I should ask the chairman.

19 MR. BURTON: We've always considered it a  
20 service award for time on the job.

21 MS. QUESTELL: That's actually an error on  
22 my part. Those minutes say it's a service award. They were  
23 close together and I didn't catch that.

24 That's exactly what it says. And that's my  
25 fault. It says that it's a service award. I apologize.



1                   MEMBER SMITH: That's fine.

2                   So my understanding, then, that would be  
3 similar to an awards plaque or some other item. I know in  
4 public safety tele-communicators week obviously donating gifts  
5 from businesses and so forth. So that is an award -- a service  
6 award for services they provide you?

7                   MR. BURTON: Absolutely.

8                   CHAIR PORTER: Other questions?

9                   (Pause)

10                  CHAIR PORTER: Okay. You've heard the  
11 recommendations from Staff that we put Cheatham County on a  
12 review status for 12 months to review their minutes. What's  
13 the will of the Board?

14                  MEMBER LOWERY: So moved.

15                  CHAIR PORTER: I have a motion by  
16 Mr. Lowery. Do I have a second?

17                  MEMBER SNEED: Second.

18                  CHAIR PORTER: Second by Mr. Sneed.

19                  Is there any discussion?

20                  (Pause)

21                  CHAIR PORTER: Hearing none, all in favor  
22 say "aye."

23                  THE BOARD: Aye.

24                  CHAIR PORTER: All opposed, like sign?

25                  (Pause)

1 CHAIR PORTER: Motion carried.

2 Gentlemen, we really appreciate you-all  
3 coming down today and being so honest with us. That's what we  
4 want. I feel like that you've corrected the problem, and  
5 hopefully we'll have a more -- and realize we're plowing new  
6 ground here. You-all have been the first two districts we've  
7 had to do this with. So we might have wandered through it a  
8 little bit. Just realize we're trying to do the very best we  
9 can and trying to help you.

10 Thank you.

11 The next item on the agenda is number 4 --  
12 is consider adopting policy requiring that all PSAP CPE  
13 equipment purchased or leased after May 2008 be authorized to  
14 connect to the TECB's next generation 911 IP platform. And I  
15 think Lynn wants to defer that?

16 MS. QUESTELL: Yes. We'd like to amend this  
17 agenda item.

18 We put this initially on the agenda to  
19 assure that there would be no legal or contractual impediments  
20 to keeping our next generation 911 system an open architecture.  
21 And the reason we had done this was, in Indiana a local  
22 corporation was a successful bidder on their RFP for the NG-911  
23 platform they were going to build, and a company that is also a  
24 carrier that leases equipment would not allow the equipment to  
25 be connected to the NG-911 platform. And we wanted to learn

1 from Indiana and avoid this.

2 But since we put this on the agenda we have  
3 heard from several people in the 911 industry, they've had some  
4 questions and concerns. And one of the reasons that 911 in  
5 Tennessee has been so successful is because we have such a good  
6 relationship with industry, and a partnership. And we want to  
7 encourage that collaboration and cooperation. And we want  
8 everybody -- including industry -- to feel like they've been  
9 heard.

10 Which is why I would like to ask the Board,  
11 instead of adopting any kind of policy, is to refer this issue  
12 to the Policy Committee and we'll have open meetings and we'll  
13 invite industries with concerns to speak. And then the Policy  
14 Committee will consider making a recommendation to the Board  
15 with the benefit of the industry's input into this.

16 But I do want to clarify that the proposed  
17 policy was not about technical standards at all. It was just  
18 about the general principle that there should be no legal or  
19 contractual impediment to everyone being able to connect up to  
20 the next generation platform.

21 Again, that's Staff's request.

22 CHAIR PORTER: You heard Staff's  
23 recommendation and request that we defer this item to the  
24 Policy Committee.

25 MEMBER RICH: I move that we defer this

1 action item and request to the Policy Committee, Mr. Chairman.

2 CHAIR PORTER: I have a motion by Mr. Rich.

3 Do I have a second?

4 MEMBER SMITH: Second.

5 CHAIR PORTER: Second by Mr. Smith.

6 Any discussion?

7 (Pause)

8 CHAIR PORTER: Hearing none, all in favor

9 say "aye."

10 THE BOARD: Aye.

11 CHAIR PORTER: All opposed, like sign?

12 (Pause)

13 CHAIR PORTER: Motion carried.

14 The next item on the agenda is consider

15 accuracy of 911 location functionality and PBXs and multi-line

16 phone systems to issues for study by the Policy Advisory

17 Committee.

18 MS. QUESTELL: This is another great reason

19 that we are glad to have the Policy Committee.

20 PBX phone systems or multi-line phone

21 systems are often used in university campuses, hospitals,

22 banks, and other places that occupy multiple buildings, and as

23 you-all know, they have long created challenges for the 911

24 dispatcher because the caller address is not always displayed

25 where the caller actually is. And this can certainly create

1 confusion for call-takers and for -- it can delay responders.

2 I know the FCC has held some hearings on  
3 this issue a couple of years ago and then decided it was a  
4 local matter. And I know a number of states have passed  
5 legislation requiring PBXs to provide more accurate location  
6 information.

7 And Staff is requesting that the Board  
8 authorize the Policy Committee to consider this issue. We  
9 think that right now there are technical solutions to allow for  
10 more accurate addresses, and we would like to have a  
11 conversation with the PBX providers and try to find some kind  
12 of a middle ground or a way to resolve this matter so that  
13 public safety can be promoted.

14 CHAIR PORTER: You heard the request from  
15 Staff that this item be added to the Policy Committee as an  
16 item -- action item. What's the will of the Board?

17 MEMBER SMITH: I so move.

18 CHAIR PORTER: Motion by Mr. Smith.

19 MEMBER SNEED: Second.

20 CHAIR PORTER: And a second by Mr. Sneed to  
21 add this to the Policy Committee.

22 Any discussion?

23 (Pause)

24 CHAIR PORTER: Hearing none, all in favor  
25 say "aye."

1 THE BOARD: Aye.

2 CHAIR PORTER: All opposed?

3 (Pause)

4 CHAIR PORTER: Motion carried.

5 The last item on the agenda is to consider a  
6 request by the Grundy County ECD for an increase to their  
7 emergency telephone service charge.

8 If the Grundy County folks would come  
9 forward.

10 (Pause)

11 CHAIR PORTER: Familiar, friendly faces.

12 If you would state your name and titles for  
13 the record, please.

14 MR. HUTCHINSON: My name is Don Hutchinson.  
15 I'm the chairman of the 911 board.

16 MAYOR BOULDIN: And I'm LaDue Bouldin, the  
17 Grundy County mayor.

18 CHAIR PORTER: We're glad to have you-all  
19 with us today. We kind of have a little bit of a normal way  
20 that we go through these things. And -- so we'll start with  
21 the reports from our staff and listen to those. And then after  
22 we've done that, then we'll let you make your statements you  
23 need to make. And then the Board will deliberate.

24 Rex, who is going first?

25 MR. HOLLAWAY: Mr. Chairman, I'll go first.

1 CHAIR PORTER: Okay.

2 MR. HOLLAWAY: I just have a few thoughts  
3 here before Robert goes through the financial part of this. I  
4 did meet on site with the chairman, Don Hutchinson, and the  
5 county mayor, LaDue Bouldin, also with the Monteagle police  
6 chief, Virgil McNeese, who also serves as the 911 director.  
7 This is another case where he's paid by the City of  
8 Monteagle -- and I don't know if he's paid anything by the  
9 Board or not.

10 But anyway, I met with the three of them on  
11 March 28th, and the chief said he just couldn't be here today.

12 As I mentioned, the ECD does provide the  
13 funding for 911 equipment -- the equipment that is used at the  
14 PSAP. But the PSAP itself is actually operated by the  
15 Monteagle Police Department, and they answer all 911 calls for  
16 the county. Although they do have a Sheriff's Department, but  
17 I believe they dispatch for the Sheriff's Department as well  
18 now, the 911 calls.

19 They have a total of six 911 trunks. Two of  
20 which are dedicated to the wireless side of the Cookeville  
21 Frontier Selective Router. They have two administrative  
22 non-emergency lines. Ben Lomand is the primary landline  
23 provider for the county. And carriers that provide wireless  
24 service include Advantage, AT&T, Sprint/Nexel, and I think  
25 Verizon.

1                   They have seven full-time tele-communicators  
2 assigned to the dispatch center. As I mentioned, there are no  
3 full-time paid ECD employees.

4                   In the event of a major failure effective  
5 call delivery or the necessity of a PSAP evacuation, calls  
6 would be routed to the MS facility in Coalmont.

7                   With that, I'll turn it over to Robert.

8                   MR. McLEOD: Okay, Mr. Chairman. On the  
9 financial review, the Grundy County Communications District has  
10 an existing interlocal agreement with the City of Monteagle.  
11 The term of the agreement is July 24th through June 30th of  
12 this year. So it's about to expire.

13                   Under this agreement the ECD will provide  
14 the following: all equipment necessary to take dispatched 911  
15 calls, the repairs and maintenance of all such equipment, the  
16 mapping for all the county, and reimburse the City for all  
17 costs relating to the NCIC.

18                   The City of Monteagle has agreed to the  
19 following: to house, secure, and maintain all PSAP equipment;  
20 the training and certification of any tele-communicator or  
21 dispatcher, as required by state law; and to name the district  
22 and its designee as additional named insured to said property  
23 in light of the insurance policy. And as you heard from Rex,  
24 the PSAP is currently run by the City.

25                   On the income, Table 1, if we notice a trend



1 there that for fiscal year 2005 and '07 there is a marginal  
2 decrease in the revenue collected by the ECD. There was an  
3 increase in 2007 of 67.76 percent. Although there was a  
4 decrease of 5.16 in the year 2006. The high percentage in  
5 2007 was a result of the contribution of the \$14 million  
6 Operational Fund.

7                   There are no contributions, financially,  
8 from any local entity, per se, coming into the ECD. However,  
9 the City of Monteagle currently pays salaries for three  
10 dispatchers and provides facilities for the ECD.

11                   For the projected year 2008 through 2010,  
12 landline revenue will continue to fluctuate. Total revenue  
13 projection for 2008 and fiscal year 2010 shows a decline of  
14 15.6 percent and .85, respectively, while showing an increase  
15 of 37.86 increase in fiscal year 2009.

16                   The TECB Operational Fund contribution was  
17 included in these projections because it has now become a part  
18 of the budget of the County. I'm sure your projection doesn't  
19 show that, but it is reflected on our projections.

20                   All projections were made in consideration  
21 of the rate increase and most recent landline count --  
22 residential 5,423, and business lines of 1,249, as of February  
23 2008. With an approximate 2 percent decline annually. That's  
24 what I was told, that these are going down, but not  
25 drastically, but it's noticeable on the books.

1                   The County is served by a population -- as  
2 of 2000 was 14,322.

3                   On the expenditure, Table 2, expenditure  
4 Table 2, below, indicates that the ECD does pay salaries and  
5 wages -- does not pay salaries and wages. However, per the  
6 interlocal agreement, the ECD provides reimbursement to the  
7 City for four dispatchers, and that might increase to five in a  
8 couple of years.

9                   The audit period for fiscal year 2005 to  
10 2007, total is spent and increased by 36.18 percent in 2006,  
11 and 32.75 in 2008.

12                   In the projected period for fiscal year 2008  
13 through 2010, total expenditures is expected to increase by  
14 38.99 percent in 2008. A slight increase in -- of 5.39 in  
15 2008, and an increase of 3.75 in 2010.

16                   The justification for the rate as submitted  
17 by the ECD listed below -- to replace aging equipment, to  
18 provide new technology to enhance service, which is a CAD  
19 system; to provide salaries for additional dispatchers, so  
20 you think of additional dispatchers, which would be taken over  
21 by the ECD; also to maintain the cost of dispatching; to fund  
22 a full-time director -- and other purposes.

23                   I'm sure you'll get a chance to elaborate on  
24 that as we continue.

25                   Staff analysis -- the Grundy County

1 ECD currently has a rate 65 cents for residential and \$2  
2 for business. They are seeking to raise both rates to the  
3 maximum of \$1.50 for residential and \$3 for business.

4                   The reason listed above for the increase  
5 seem reasonable and justifiable. These reasons are a  
6 combination of those discussed in the public hearing and those  
7 also on the application. So all of them are being combined  
8 here to show a total list.

9                   Ideally the ECD would like to hire a  
10 full-time director that would be responsible for  
11 administrative, mapping, and addressing functions. However,  
12 the hiring of an additional dispatcher is more urgent.

13                   An additional dispatcher would bring the  
14 total to eight, which means at least two dispatchers per shift.  
15 Which is the ideal situation.

16                   The ECD is also planning to have a backup  
17 PSAP, in the event that there is problems and this one becomes  
18 inoperable, then they would have something as a standby.

19                   I show in Table 3 before -- below, the ECD  
20 experienced a positive change in net assets for fiscal year  
21 2007 -- 2005 through 2007. Ending net assets for fiscal year  
22 2005 through 2007 shows consecutive positive gain for the  
23 entire period.

24                   Total cash and cash equivalent amount also  
25 shows positive gains for 2006 and 2007.

1                   The ECD projected positive change in net  
2 assets for the projected years of 2009 through 2010.

3                   In addition to what revenue is received by  
4 the ECD, it is also eligible for an additional \$191,000 in  
5 reimbursement from the TECB. So that is money they are  
6 planning to use further down the road.

7                   Projection indicates with that rate increase  
8 the ECD will experience a negative change of 9.02 percent in  
9 assets for year 2008, increasing 5.90 and 3.66 in fiscal year  
10 2009 and 2010, respectively.

11                  Total cash equivalents are projected to  
12 increase in fiscal year 2008 while increasing 53.13 and 29.84  
13 percent, respectively, in fiscal year 2009 and 2010.

14                  The high increase in fiscal year 2009  
15 reflects the first year of the rate increase -- having been  
16 granted by the board. And you can see the increase there. The  
17 ECD projection with and without the rate increase is also  
18 attached for your review.

19                  The ECD current interlocal agreement with  
20 the City of Monteagle expires June 30th this year and will  
21 automatically renew unless either party elects to withdraw.

22                  Staff reviewed the agreement and listed the  
23 following concerns -- so when we looked at it and saw something  
24 that really needs some attention there, and these are them:  
25 Although the ECD currently pays for four dispatchers' salaries

5                   There is no language in the agreement to say  
6 that the City will not reduce its contribution in the future,  
7 and that is very important for the rate increase that we  
8 actually see the language written there that they will not,  
9 under any circumstance, reduce its contribution to the  
10 district.

17 ECD does not have any reported audit  
18 findings for the last three audit reviews, which is pretty good  
19 and commendable that there was no reported audit finding.

24 CHAIR PORTER: Thanks.

1 documents that we've heard on the rate increase request?

2 (Pause)

3 CHAIR PORTER: Okay.

4 Mayor, you or Don have statements or  
5 anything you want to say?

6 MAYOR BOULDIN: Let me -- yes. Yes, I  
7 would.

8 I guess we probably do have an unusual  
9 situation probably that's a lot different than most -- most  
10 districts within the state. We primarily went this way because  
11 we are such a small county and we know our resource was limited  
12 and we knew we had to stay with one PSAP. And Monteagle, at  
13 the time, was adamant about keeping theirs due to the fact that  
14 they provide a lot of services for their citizens that's out of  
15 the norm.

16 And we understand that. And we appreciate  
17 that. But with that we saw the opportunity to enter into this  
18 local agreement with them and to get them to provide some of  
19 the funding for this.

20 And let me compliment them on what they have  
21 done for us. We couldn't -- we didn't have a building. We  
22 didn't have the facility. They were building a new city hall.  
23 We were able to move in with their police department. Their  
24 chief has always been supportive and willing to direct our  
25 activities. So we couldn't have a better relationship. And we

1 have been able to continue that relationship.

2                   And to address some of Mr. McLeod's issues  
3 right there, about the money issues, about our new contract  
4 that needs to come into place, and to how we need to lock in a  
5 dollar amount, the fact that -- Monteagle has been so adamant  
6 to help us over the years and stuff, I have taken the attitude  
7 that we need to help them whenever we could help them, and  
8 monetary -- and to do that. So, as we have gone through this  
9 process, when we were able to, we have picked up additional  
10 dispatching.

11                   I guess the political cloud in Monteagle --  
12 or climate, I should say, in Monteagle has changed some over  
13 the last few years. And not to say that Monteagle is not  
14 supportive of what we're doing and in what they have done, but  
15 I guess to say that their agenda has become maybe -- or has  
16 become maybe a little bit more critical for them in the water  
17 and sewer issues, and they are simply having to look at what  
18 they're funding and what funding they can put in place. That's  
19 going to play a part on us.

20                   That's another big step right here on why we  
21 need this increase, to pick up more, because without a doubt,  
22 they're going to have to look at not funding as much as they  
23 were funding us.

24                   As you-all might well know, our area this  
25 past year was one of the most drought stricken areas within the

1 state there on the plateau. Actually, Monteagle completely ran  
2 out of a water for several months, and our other utilities were  
3 supplying water to them. And they nearly all ran out.

4 I met with the Governor, as a matter of  
5 fact, last week, to try to put together a water project for our  
6 area.

7 So -- then they have moratorium against --  
8 on their sewer projects up there. And then -- with that said,  
9 they had to put a moratorium on some new construction. So  
10 Monteagle has had a lot of handicaps. And money is an issue  
11 with them.

12 So we have got to look at how we are going  
13 to continue to manage our program. Realizing that they might  
14 have to legitimately withdraw some dollars on that.

15 And, also, as Robert said there, you know,  
16 we do have this additional dollars coming from the Board there.  
17 We -- or the Board -- what our board is presently looking at is  
18 our own facility. We might construct our own facility. We'd  
19 like to do that at a point in time when equipment needs to be  
20 changed. You know, we see the importance of not necessarily  
21 just moving equipment but having new equipment.

22 So we're looking out to the future: you  
23 know, to what we're going to support, of what equipment we're  
24 going to have to have. And over the course of time as I give  
25 financial reports -- because I work very closely with our



1 board. Extremely closely. And looking -- and particular in  
2 the financial department.

3                   And looking at our financial statements, we  
4 continue to see that our expenditures are exceeding our  
5 revenues there, and if it hadn't been for the grants that  
6 you-all have been so gracious to give us and the help we  
7 receive from other people, we wouldn't be able to make it to  
8 start with. So, that's -- I guess that's my story. You know.

9                   CHAIR PORTER: Don, do you have anything to  
10 say?

11                   MR. HUTCHINSON: Mr. Bouldin's office has  
12 worked with our board hand-in-hand ever since we started this  
13 journey. At this time if you were in our county and you need a  
14 911 address you actually have to call his office. And he  
15 provides a lot of -- a lot of help and a lot of -- he just  
16 provides us with a lot of help with our center and as far as  
17 the County's contribution to our -- to our PSAP.

18                   But I'm like -- I'm thinking like  
19 Mr. Bouldin is, is that eventually one day we would like to  
20 have our 911 center out on its own, just a private -- or a  
21 public entity that's not under a particular city. And, of  
22 course, we are a small populated county and this rate increase  
23 will really put our 911 center in a better spot as far as two  
24 people in the dispatch offices all the time. It needs to be.  
25 Any dispatch office needs to have two people 24/7, and we want

1 to get to that point.

2 Eventually we'd like to get into EMD  
3 dispatching. And I don't see that in the very near future, but  
4 we would like to strive to get that. We want to have the best  
5 one in the state for our size.

6 CHAIR PORTER: Questions of the board  
7 members -- of the Grundy County folks?

8 MS. QUESTELL: I just want to make sure that  
9 you-all understand Policy 14, which is about the rate increases  
10 and stuff.

11 First, I really want to commend you for  
12 having no audit findings and for your great relationship with  
13 the County and with Monteagle. That's ideal.

14 The Board has put into place a policy that  
15 the rates are kind of contingent that whoever is contributing  
16 to 911 to continue at the same level those contributions. And  
17 I just want to make sure that you-all knew that. Because what  
18 the Board was afraid of is it ends up being a backdoor tax.  
19 You know, you raised up the 911 rates and -- you know --  
20 someone takes advantage.

21 And 911 was never meant to pay for  
22 everything as far as the emergency communication. So that's  
23 what the Board put in place to protect 911.

24 So I just wanted to make sure that you-all  
25 knew that.

1                   MAYOR BOULDIN: Let me comment, too, that  
2 right now, you know, we do have Monteagle, we have the County,  
3 and the 911 board making contributions to this. That has never  
4 been discussed. That is not -- has never been an issue. It is  
5 not the intent to raise the rates of some other entity to  
6 lower the amount of their contribution. That is not it at all.

7                   As a matter of fact, Monteagle has shown no  
8 indication of lowering any of their contributions. I just  
9 happen to be quite privy to their situation and knowing that  
10 sometime -- they're facing millions of dollars in debt that  
11 they're going to have to look at, and not only -- they're  
12 looking at every department. So it's very possible that could  
13 happen in the future, but there is no intent to lower anybody's  
14 contribution by a rate increase. That's not been in any  
15 discussion.

16                  MS. QUESTELL: But I want to make sure that  
17 you know that if it does get reduced it could put your rate at  
18 risk. The Board -- for example, at the January meeting, Union  
19 County was a regular contributor to Union County Emergency  
20 Communications District, and they budgeted much, much less  
21 money to go to the district -- the County did. And the Board  
22 did not -- the Board brought them in and told them that their  
23 rates were at risk. And they worked it out.

24                  But that's -- I just want to make sure that  
25 you-all know that on the front end.

1                   That's all. Thank you.

2                   CHAIR PORTER: Other questions of the board  
3 members?

4                   (Pause)

5                   CHAIR PORTER: Okay. All right. You heard  
6 the request from Grundy County to increase their rates to the  
7 maximum allowed by law. And you heard Staff's recommendation  
8 that they see no reason not to approve it. So, what's the will  
9 of the Board?

10                  MEMBER LOWERY: I move we approve it.

11                  MEMBER RICH: Second.

12                  CHAIR PORTER: I have a motion by  
13 Mr. Lowery. And Mr. Rich seconds?

14                  MEMBER RICH: Yes.

15                  CHAIR PORTER: Mr. Rich seconds that we  
16 approve the rate increase request for Grundy County ECD. Is  
17 there discussion?

18                  (Pause)

19                  CHAIR PORTER: Hearing none, all in favor of  
20 the motion say "aye."

21                  THE BOARD: Aye.

22                  CHAIR PORTER: All opposed, like sign?

23                  (Pause)

24                  CHAIR PORTER: Motion carried.

25                  MAYOR BOULDIN: Thank you very much.

1 CHAIR PORTER: It's been very good to seeing  
2 you again.

3 Don, you-all do a great job over in Grundy  
4 County.

5 MR. HUTCHINSON: Appreciate it.

6 MAYOR BOULDIN: We thank you for the Board's  
7 support.

8 CHAIR PORTER: Is there anything else that  
9 needs to come before the TECB?

10 (Pause)

11 CHAIR PORTER: Our next meeting, Lynn?

12 MS. QUESTELL: We have it scheduled for  
13 July 24th.

14 CHAIR PORTER: July 24th at 9:30 a.m.

15 And will we be meeting here or someone else?

16 MS. QUESTELL: We would assume that it will  
17 be here. We'll have to send that out in the notice because  
18 we're kind of being bumped --

19 CHAIR PORTER: So will everyone please pay  
20 attention to your notices next time that the meeting place may  
21 change with the move. We don't know that yet.

22 (Pause)

23 CHAIR PORTER: Anything else? Any  
24 announcements or anything we need to make?

25 MEMBER SMITH: Mr. Chairman?

1 CHAIR PORTER: Yes.

2 MEMBER SMITH: Very briefly, I just want  
3 to extend Rutherford County's appreciation to the director.  
4 She joined us on April the 18th at our public safety code  
5 meeting telecommunications ceremony and presented the  
6 proclamation from the Board. And I just want to convey to her  
7 that the message back among those attendees in that area were  
8 appreciative. And they extended their appreciation to you  
9 for -- also -- for your hard work on the non-service --  
10 non-initialized phones. Because they, of all people, know how  
11 difficult that makes their job.

12 MS. QUESTELL: Thank you so much. I  
13 appreciate that.

14 CHAIR PORTER: Thanks, Steve.  
15 Anything else?

16 (Pause)

17 CHAIR PORTER: Hearing none, the meeting is  
18 adjourned.

19 (End of the proceedings.)  
20  
21  
22  
23  
24  
25